

**TRANSPORTATION, REGULATORY AND CULTURAL SUBCOMMITTEE
RECOMMENDATIONS FOR FY 2018-19
TO THE PROVISO SUBCOMMITTEE**

SECTION 74 - R080 - WORKERS' COMPENSATION COMMISSION

74.lsm **ADD** (Legacy System Modernization Project) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to allow the Workers' Compensation Commission to retain all the funds collected through the self-insurance tax and use the remaining amounts, after salaries and expenses are satisfied, to complete the IT Legacy Modernization Project. Fiscal Impact: RFAO states that this provision would reduce General Fund revenue by \$2,506,000 and increase the commission's other funds by a like amount.

74.lsm. (WCC: Legacy System Modernization Project) The portion of the Self-Insurance tax funds collected pursuant to Section 42-5-190, not retained by the Workers' Compensation Commission pursuant to Act 95 of 2013, shall be retained by the commission for the purposes of developing and implementing the IT Legacy System Modernization Project until the completion of the project.

SECTION 80 - R280 - DEPARTMENT OF CONSUMER AFFAIRS

80.1 **AMEND** (Consumer Protection Code Violations Revenue) Authorizes the agency to retain and use funds paid to the department in settlement of cases involving violations of the SC Consumer Protection Code.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to replace "settlement" with "resolution" of cases. Requested by Department of Consumer Affairs.

80.1. (CA: Consumer Protection Code Violations Revenue) Funds, paid to the department in ~~settlement~~ resolution of cases involving violations of the South Carolina Consumer Protection Code and other statutes enforced by the department be retained and expended within the agency's budget to help offset the costs of investigating, prosecuting, and the administrative costs associated with these violations, may be carried forward and expended for the same purposes in the current fiscal year.

80.4 **AMEND** (Registered Credit Grantor Notification and Maximum Rate Filing Fees Retention) Allows the Department of Consumer Affairs to retain all revenue derived from Consumer Credit Grantor Notification and Maximum Rate filing fees. Directs the revenue be used to offset the cost of operations.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to allow the department to retain all filing fees collected under Chapters 2, 3 and 6 of Title 37 by deleting specific references to fees collected under Sections 37-6-203 [CONSUMER PROTECTION CODE FEES]; 37-2-305 [CREDIT SALES FILING & POSTING MAXIMUM RATE SCHEDULE]; and 37-3-305 [LOANS FILING & POSTING MAXIMUM RATE SCHEDULE] and direct that the fees be used to offset the cost of administering and enforcing all of Title 37 rather than just Chapters 2 and 3. Fiscal Impact: PENDING. Agency indicates this would provide \$615,000 of Other funds to the agency. Requested by Department of Consumer Affairs.

80.4. (CA: Registered Credit Grantor Notification and Maximum Rate Filing Fees Retention) The Department of Consumer Affairs may retain all ~~Consumer Credit Grantor Notification~~ filing fees collected under ~~Section 37-6-203 and all Maximum Rate Schedules~~ filing fees collected under ~~Section 37-2-305 and Section 37-3-305~~ Chapters 2, 3 and 6, Title 37 of the 1976 Code. These fees shall be used to offset the cost of administering and enforcing ~~Chapters 2 and 3, Title 37 of the 1976 Code~~ and may be applied to the cost of operations. Unexpended balances may be carried forward for the prior fiscal year into the current fiscal year and be utilized for the same purposes.

**TRANSPORTATION, REGULATORY AND CULTURAL SUBCOMMITTEE
RECOMMENDATIONS FOR FY 2018-19
TO THE PROVISO SUBCOMMITTEE**

SECTION 82 - R400 - DEPARTMENT OF MOTOR VEHICLES

82.5 DELETE (Five Year Eye Exam Suspension) Suspends the requirement that a driver submit a vision screening certificate to the department or visit the department and complete a vision screening during the 5th year of a 10 year driver's license.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Agency indicates Act 6 of 2017 (READ ID) provides guidelines for eye exams.* Requested by Department of Motor Vehicles.

82.5. (DMV: Five Year Eye Exam Suspension) ~~For the current fiscal year, Section 56-1-220(B), relating to the requirement for a vision screening certificate during the fifth year of a ten-year driver's license, is suspended.~~

82.8 AMEND (Phoenix III Migration Pilot) Authorizes DMV, upon approval from DOA through the IT project governance process, to expend up to \$1,000,000 from any available other earmarked cash balances to conduct a proof-of-concept pilot for Phoenix III development and data migration.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference from "2017-18" to "2018-19." Delete the authority to expend "up to" and replace with "the remainder of the" \$1,000,000 "authorized in the prior fiscal year." Requested by Department of Motor Vehicles.

82.8. (DMV: Phoenix III Migration Pilot) In Fiscal Year ~~2017-18~~ 2018-19, the department shall be authorized to expend ~~up to~~ *the remainder of the* \$1,000,000 *authorized in the prior fiscal year* from any available other earmarked cash balances to conduct a proof-of-concept pilot for Phoenix III development and data migration. Funds may be expended only upon review and approval of the Department of Administration through the IT project governance process established by proviso 117.119.

82.9 AMEND (Real ID) Authorizes DMV to spend any available earmarked cash reserves to implement Real ID, except for the \$1,000,000 designated for the Phoenix III pilot.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference from "2017-18" to "2018-19." Delete "1,000,000" and replace with "funds" as the exception for the Phoenix III pilot. Requested by Department of Motor Vehicles.

82.9. (DMV: Real ID) For Fiscal Year ~~2017-18~~ 2018-19, the Department of Motor Vehicles may expend any available earmarked cash reserves, with the exception of the ~~\$1,000,000~~ *funds* designated for the Phoenix III pilot, on the implementation of Real ID.

SECTION 83 - R600 - DEPARTMENT OF EMPLOYMENT AND WORKFORCE

83.1 AMEND (~~Consortium Contracts: Training-Development Sessions and Media Services~~ *Business Intelligence Division Program Contracts*) Authorizes earmarked funds collected for LMI-Training-Development Services; Media Services and Division Program Contracts to be retained, used, and carried forward for operating these programs.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update the program title from "Consortium Contracts: Training-Development Sessions and Media Services" to "Business Intelligence Division" Program Contracts. Requested by Department of Employment and Workforce.

**TRANSPORTATION, REGULATORY AND CULTURAL SUBCOMMITTEE
RECOMMENDATIONS FOR FY 2018-19
TO THE PROVISO SUBCOMMITTEE**

83.1. (DEW: ~~Consortium Contracts: Training Development Sessions and Media Services Business Intelligence Division Program Contracts~~) All earmarked funds collected for the ~~LMI Training Development Services; Media Services and Business Intelligence Division~~ Program Contracts through the Department of Employment and Workforce may be retained by the agency to be used for the exclusive purpose of operating these programs. All funds not expended in the prior fiscal year may be carried forward for use in the current fiscal year.

83.5 **AMEND** (UI Tax System Modernization) Authorizes DEW to expend up to \$1,743,930 of funds made available to the State under Section 903 of the U.S. Social Security Act. Directs the funds be used to replace the agency's unemployment tax information system with a modern technology solution. Prohibits the funds from being obligated after a 2-year period beginning July 1, 2017. **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to change "\$1,743,930" to "\$3,178,053" and update the fiscal year reference from "2017" to "2018." Requested by Department of Employment and Workforce.

83.5. (DEW: UI Tax System Modernization) The Department of Employment and Workforce is authorized to expend up to ~~\$1,743,930~~ 3,178,053 of funds made available to the State under Section 903 of the United States Social Security Act, as amended. The funds must be used under the direction of the Department of Employment and Workforce, for the purpose of acquiring software, equipment, and necessary services to replace the agency's unemployment tax information system with a modern technology solution. No part of the funds herein authorized may be obligated after a two-year period beginning on July 1, ~~2017~~ 2018. The amount obligated pursuant to this provision shall not at any time exceed the amount by which (a) the aggregate of amounts transferred to the accounts of the State pursuant to Section 903 of the Social Security Act exceeds (b) the aggregate of the amounts obligated for administration and paid out for administration and paid out for benefits and required by law to be charged against the amounts transferred to the account of this State.

83.6 **AMEND** (Employment Training Outcomes Data Sharing) Directs DEW to require training and employment data integration; establish a Governance Policy; and develop a model data-sharing agreement with eligible training providers and with various agencies and entities. **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to delete requirement that a Governance Policy be established; direct that the department "enter into" rather than "develop" a data sharing agreement; require state agencies needing data from DEW to meet an exception permitting disclosure pursuant to 20 C.F.R Part 603 and require DEW to enter into a data sharing agreement with the requesting agency prior to providing the agency any data; require DEW to charge state agencies for costs, as described in federal and state law, for data sharing requests; delete the development of agreement requirements with various agencies; and delete requirement that copies of the agreements be submitted to certain legislative committees. Requested by Department of Employment and Workforce.

83.6. (DEW: Employment Training Outcomes Data Sharing) ~~The Department of Employment and Workforce, in developing the Workforce and Labor Market Information System (WLMIS) improvements required of the Workforce Innovation and Opportunity Act (WIOA) (P.L. 113-128), will require~~ integration of training and employment data for the purposes of improving longitudinal assessment of employment outcomes for the various training providers eligible to receive funding appropriated or authorized by this Act.

~~(A) As the entity with authority for the oversight and maintenance for the WLMIS, the department shall establish a Governance Policy for the management, development, security, partner collaboration, and sharing responsibilities no later than July 1, 2017.~~

**TRANSPORTATION, REGULATORY AND CULTURAL SUBCOMMITTEE
RECOMMENDATIONS FOR FY 2018-19
TO THE PROVISO SUBCOMMITTEE**

~~(B A) No later than July 1, 2017, the The department must develop a model enter into a data-sharing agreement with eligible training providers (ETPs) prior to the ETP entering student data into the Palmetto Academic Training Hub (PATH). As specified by the WIOA Act, this agreement will require ETPs to will submit data related to the types of training programs offered, individual student coursework, including personal identifying information (PII) to match training, employment data and performance outcomes, program completion and time to complete, and program costs, and tuition assistance as outlined in federal guidance. It will further require reporting of personally identifiable information (PII) to match training and employment data to determine placement in companies and jobs by the North American Industry Classification (NAIC) System and Standard Occupation Classification (SOC) System and other information necessary for the department to accurately and completely assess the effectiveness and return on investment of all training programs offered by the entity.~~

~~(B) State agencies needing data from the Department of Employment and Workforce must meet an exception permitting disclosure, pursuant to 20 C.F.R. Part 603. Prior to providing data to a state agency, the department must enter into a data sharing agreement with the requesting agency, as described in 20 C.F.R. Part 603. Requesting state agencies must identify a need in the administration of the official duties for department data, as required by 20 C.F.R. Part 603. The department shall charge state agencies for costs, as described in federal and state law, for the data sharing requests.~~

~~(C) No later than July 1, 2017, the department must develop a model data-sharing agreement with the Department of Education, the Center for Educator Recruitment, Retention and Advancement, and the Education Oversight Committee, the Vocational Rehabilitation Department, and the Commission on Higher Education to capture and match data as enumerated in item (B) of this provision. This agreement will ensure collaborative sharing of matched data with each partner agency for the purpose of program assessment and effectiveness in compliance with state and federal laws.~~

~~(D) The department and the South Carolina Student Loan Corporation shall, by July 1, 2017, enter into a data-sharing agreement to determine the average debt load carried by individuals who participate in training programs with eligible training providers. This agreement will ensure collaborative sharing of matched data for the purpose of program assessment and effectiveness in compliance with state and federal laws.~~

~~(E) No later than July 1, 2017, the department must develop a model data-sharing agreement with the Department of Social Services to capture data related to New Hire status and social service data and with the Department of Labor, Licensing and Regulation to capture licensing and licensing-related data. This agreement will ensure collaborative sharing of matched data for the purpose of program assessment and effectiveness in compliance with state and federal laws.~~

~~The Department of Employment and Workforce shall submit copies of the data-sharing agreements to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Labor, Commerce and Industry Committee, and the Chairman of the House Labor, Commerce and Industry Committee.~~

SECTION 84 - U120 - DEPARTMENT OF TRANSPORTATION

84.pmc ADD (Preventative Maintenance Credit) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize DOT to transfer a portion of the motor fuel user fee held in the Infrastructure Maintenance Trust Fund to DOR to satisfy the preventative maintenance credits. Fiscal Impact: RFAO states this provision would have no additional impact on the General Fund, Other Funds, or Federal Funds expenditures or revenue. Requested by Department of Transportation.

**TRANSPORTATION, REGULATORY AND CULTURAL SUBCOMMITTEE
RECOMMENDATIONS FOR FY 2018-19
TO THE PROVISO SUBCOMMITTEE**

84.pmc. (DOT: Preventative Maintenance Credit) The Department of Transportation is authorized to transfer a portion of proceeds of the motor fuel user fee received from Section 12-28-310(D) to the Department of Revenue in order to satisfy the requirements of the preventative maintenance credit in Section 12-6-3780(B)(2).

84.em ADD (Emergency Meetings) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize DOT Commission to convene a meeting under emergency conditions which require immediate action and to provide notice of the meeting as soon as possible. Requested by Department of Transportation.

84.em. (DOT: Emergency Meetings) The Department of Transportation Commission is authorized to use funds under this Act in order to convene a meeting under emergency conditions such as a natural disaster or other dire situation requiring immediate action. Notice shall be given to the press and the public as soon as a decision is made to convene an emergency meeting. Only emergency matters may be considered in such a meeting. The meeting shall be open to the public, and may be conducted over a conference call if necessary.

SECTION 87 - U300 - DIVISION OF AERONAUTICS

87.3 AMEND (Funding Sequence) Directs that all General Aviation Airports will receive funding prior to the four air carrier airports as these qualify for special funding under the DOT/FAA appropriations. Allows the policy to be waived to provide matching state funds for critical FAA safety or capacity projects.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the matching state funds policy waiver for critical projects at air carrier airports. Requested by Division of Aeronautics.

87.3. (AERO: Funding Sequence) All General Aviation Airports will receive funding prior to the four air carrier airports (i.e. Columbia, Charleston, Greenville-Spartanburg, Myrtle Beach Jetport) as these qualify for special funding under the DOT/FAA appropriations based on enplanements in South Carolina. ~~This policy may be waived to provide matching state funds for critical FAA safety or capacity projects at air carrier airports.~~

SECTION 117 - X900 - GENERAL PROVISIONS

117.109 DELETE (South Carolina Welcome Centers) Directs PRT and DOT maintain a MOU that provides that PRT operational control of all SC Welcome Centers and specifies control of certain responsibilities. Directs DOT to transfer \$3,563,560 to PRT. Authorizes these funds to be carried forward and used for the same purposes.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. DOT states that a MOU has been entered into with PRT that meets all the requirements of the proviso. Requested by Department of Transportation.

~~**117.109. (GP: South Carolina Welcome Centers) The Department of Parks, Recreation and Tourism and the Department of Transportation shall maintain a Memorandum of Understanding (MOU) that provides that the Department of Parks, Recreation and Tourism shall control operations of all South Carolina Welcome Centers. The MOU shall include replacement, renovation and maintenance of the facilities, daily operations, and grounds maintenance and upkeep and shall clearly define responsibility for additional portions of Welcome Centers to include paving and sidewalks. The Department of Transportation shall transfer to the Department of Parks, Recreation and Tourism the amount of \$3,563,560 less any state funds appropriated by**~~

**TRANSPORTATION, REGULATORY AND CULTURAL SUBCOMMITTEE
RECOMMENDATIONS FOR FY 2018-19
TO THE PROVISO SUBCOMMITTEE**

~~the General Assembly for the same purpose. The Department of Parks, Recreation and Tourism assumes responsibility for this amount and the timing of the transfer of these funds shall be defined as part of the MOU. The funds transferred to the Department of Parks, Recreation and Tourism shall be placed in a separate and distinct fund and these funds shall be carried forward from the prior fiscal year into the current fiscal year and be expended for the same purposes.~~

- 117.120 DELETE** (County Transportation Committee Road Program Supplement) Authorizes unexpended funds to be carried forward and be spent for the same purpose. *This proviso originally authorized County Transportation Committee Road Program Supplement funds to be used for a specific purpose and carried forward. Scrivener's error inadvertently did not delete the final paragraph containing the carry forward authorization.*

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Requested by Department of Transportation.

~~**117.120.** (GP: County Transportation Committee Road Program Supplement) Unexpended funds appropriated pursuant to this provision may be carried forward and expended for the same purposes.~~

- 117.127 DELETE** (DOT Structural Efficiencies Study) Directs the Inspector General, from funds appropriated and/or authorized to DOT and in collaboration with the Secretary of Transportation, to conduct a national search to contract with a renowned firm specializing in governmental structural efficiencies to study the internal structure of DOT and to make recommendations on improvements that would cause the department to operate more effectively and cost-efficiently.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Study has been completed and submitted.* Requested by Department of Transportation.

~~**117.127.** (GP: DOT Structural Efficiencies Study) From the funds appropriated to and/or authorized for the Department of Transportation, the Inspector General, in collaboration with the Secretary of Transportation, is directed to conduct a national search to contract with a renowned firm that specializes in governmental structural efficiencies. The firm shall be tasked with studying the internal structure of the Department of Transportation, and making recommendations on improvements that would cause the department to operate more effectively and more cost efficiently. The Department of Transportation and any entity contracting with the department or the Office of Inspector General must fully cooperate with the firm in the discharge of its duties and responsibilities and must timely produce all requested information, including, but not limited to books, papers, correspondence, memoranda, and other records necessary in connection with an independent study. Final cost of the contractual arrangement with the chosen firm must be reported to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee. The study and recommendations must be transmitted to the General Assembly.~~